

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0640-01  
Bill No.: HB 74  
Subject: Sewers and Sewer Districts; Water Resources and Water Districts; Elections  
Type: Original  
Date: February 15, 2013

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Bill Summary: This proposal authorizes any city, town, or village to impose, upon voter approval, a fee for the repair or replacement of residential lateral sewer service lines.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<b>Local Government</b>	<b>\$0</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

#### **§ 67.313 - Sewer Line Fees:**

Officials from the **City of Columbia** assume voter approval is required to increase revenue and it is up to each city governing body to authorize this option. The City assumes this proposal would have no fiscal impact in its current form.

Officials from the **City of Kansas City (KC)** assume costs to the City's sewer system will not change with passage of this proposal.

KC assumes the allocation of its cost will change and cause certain ratepayers to pay costs not related to their contribution to the sewer system.

**Oversight** assumes this proposal is permissive in nature and would have no local fiscal impact without action by the governing body and approved by a majority of voters. Oversight will reflect a \$0 or Unknown impact to Local Political Subdivisions starting in FY 2015.

Officials from the **Office of the Secretary of State** and **Metropolitan St. Louis Sewer District** each assume this proposal would not fiscally impact their respective agencies.

Officials from numerous cities, and sewer and water districts did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
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**LOCAL POLITICAL SUBDIVISIONS**

Income - Local Political Subdivisions

§ 67.313 - Fee for lateral sewer lines \$0 \$0 or Unknown \$0 or Unknown

**ESTIMATED NET EFFECT ON  
 LOCAL POLITICAL SUBDIVISIONS**

\$0 \$0 or Unknown \$0 or Unknown

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal, unless a political subdivision imposes the lateral sewer service line fee.

FISCAL DESCRIPTION

This bill authorizes any city, town, village, sewer district, or water supply district to impose, upon voter approval, a fee of up to \$4 per month or \$48 annually for each lateral sewer service line providing sewer service to a residential property having four or fewer dwelling units for the purpose of repair or replacement due to failure of the lateral sewer service lines extending from the residential dwelling to its connection with the public sewer system.

The fee may be added to the general tax levy bill of the property owner and collected in the same manner as delinquent real estate taxes and tax bills. This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Secretary of State  
Metropolitan St. Louis Sewer District  
City of Columbia  
City of Kansas City

**Not Responding:**

Numerous Cities  
Numerous Water and Sewer Districts



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Acting Director  
February 15, 2013